

## Congress to bail out Goldsmith?

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GILROY - A bipartisan group of U.S. lawmakers is supporting Congressman Mike Honda's effort to help Gilroy's largest flower producer pay up to \$7 million in damages to greenhouse inventories around the country.

Eight Democrats and 15 Republicans signed off on a letter from Honda to the chairman and ranking member of the House Appropriations Subcommittee on Agriculture. In the letter, Honda asks that money be put aside in fiscal year 2004 so Goldsmith Plants can pay greenhouses that had to destroy flowers and plants shipped with infected Goldsmith geraniums.

"We're happy about the congressman's letter," said Richard Goldsmith, president of Goldsmith Plants. "We really don't question the actions of the (United States Department of Agriculture). They did what they felt was necessary to contain the disease based on the information they had at the time."

In late 2002, Goldsmith Plants imported a small batch of infected geraniums from its Kenya-based greenhouse. The plants were contaminated with the *Ralstonia* bacteria which, in addition to killing geraniums, can destroy crops such as potato, tobacco, pepper, eggplant and tomato.

Because the bacteria is foreign to the United States, the USDA took extreme measures to keep *Ralstonia* out of the environment, forcing greenhouses to destroy all plants shipped with a potentially infected geranium. This policy - which usurps industry standard for dealing with contaminated plants - triggered compensation requests from 96 of the 120 greenhouses Goldsmith Plants supplies.

In his letter, Honda writes, "The costs, now estimated at between \$5 million and \$6 million, have grown far beyond the ability of the industry to sustain. The company (Goldsmith Plants) which imported the geranium cuttings ... will pay a portion of that liability, but cannot pay all of the damages without incurring bankruptcy."

Goldsmith said the company wants to pay greenhouses an amount comparable to what it would have paid under normal industry standards. Normal procedure is to destroy plants that share water or soil with infected plants as well as any plant within one meter of an infected plant.

Under industry standards, Goldsmith Plants would owe at least \$50,000.

Honda's spokesperson, Ruben Pulido, said the House of Representatives could send the compensation issue to the floor by July. However, funding would not be allocated until 2004, since agriculture appropriations for 2003 were approved nearly two months ago.



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